BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of Northern States Power Company-Wisconsin for Authority to Construct About 60 Miles of Electric Transmission Line, Construct a New Electric Substation, and Modify Various Existing Electric Substations, and to Place in Service These Facilities, All Located in Ashland, Bayfield, and Sawyer Counties

4220-CE-157

NOTICE OF HEARING

Public Hearing Locations:

February 25, 1998 Ashland City Hall 1:30 p.m. and 7:00 p.m. 601 Main Street, West Council Chambers Ashland, Wisconsin

February 26, 1998 Best Western Northern Pines Inn

1:30 p.m. and 7:00 p.m. Highway 27 South Hayward, Wisconsin

Northern States Power Company-Wisconsin (NSPW) filed an application with the Public Service Commission (Commission) on September 6, 1996, for authority to construct the Chisago Electric Transmission Line Project. The Stone Lake to Bay Front Project was originally included as part of this project. In October 1997, NSPW asked the Commission to consider the Stone Lake to Bay Front 161 kV line as a separate project. In November 1997, the Commission granted this request and established a separate docket for the Stone Lake to Bay Front Transmission Line Project (docket 4220-CE-157).

NOTICE IS HEREBY GIVEN THAT THE Commission intends to hold public hearings on the Stone Lake to Bay Front Transmission Line Project on February 25, 1998, at 1:30 p.m. and 7:00 p.m. in the City Hall, Council Chambers, 601 Main Street West, Ashland, Wisconsin; and on February 26, 1998, at 1:30 p.m. and 7:00 p.m. at the Best Western Northern Pines Inn, Highway 27 South,

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Hayward, Wisconsin. These rooms are accessible to people in wheelchairs. Any person with a disability who needs additional accommodations should contact Richard Teslaw at (608) 267-9766.

Interests or concerns expressed outside the hearing or after the hearing is closed cannot be used by the Commission to make its decision. The record of the public hearing is the legal basis for the final decision by the Commission on this application. Property owners or any other persons having an interest or concern about the facilities or route of the transmission line are strongly urged to attend and participate in the public hearing.

The Commission will consider the merits of the project in its investigation, hearing, and decision. The Commission will decide if NSPW will be allowed to construct the project.

The written testimony of NSPW and Commission staff witnesses will be available approximately one week prior to hearing. Copies may be obtained in advance by calling Udaivir Sirohi of the Commission staff at (608) 266-2806. Copies will also be available at the hearing.

For the purposes of public notice and information, and in accordance with s. 196.491(3)(a), Wis. Stats., copies of the application have been sent to the Northwest Wisconsin Library System, Ashland Public Library, Washburn Public Library, Forest Lodge Library, and Hayward Carnegie Library and the clerks of Ashland, Bayfield and Sawyer Counties, Towns of Gingles, White River, Cable, Drummond, Grand View, Hayward, Kelly, Lincoln, Bass Lake, and Lenroot, Cities of Ashland and Hayward, and Villages of Cable, Drummond, Grand View, and Mason.

Need for New Facilities

NSPW is proposing to construct the Stone Lake to Bay Front Transmission Line Project to maintain adequate electric service to northwestern Wisconsin. To meet the growing electric energy needs, NSPW proposes to bring in new sources of power supply by constructing a transmission line and substation facilities. NSPW believes the proposed project will solve power transmission problems in northwestern Wisconsin.

Project Location (see attached Figures)

A new 161 kV line is proposed to be built from Ashland to the Farmer's Inn Substation located in Hayward, along all or portions of an existing NSPW 69 kV line route. A new substation, called the Gingles Substation, is proposed to be constructed south of Ashland in Gingles Township. Several power lines in the Ashland area may be rerouted, consolidated, or removed.

NSPW proposes to use the route of an existing 69 kV transmission line between Hayward and Ashland for the new 161 kV transmission line. The proposed line would be placed on structures that can support both the 69 kV line and the 161 kV line. Route alternatives exist for the proposed line between Hayward and Cable and between the Grand View and the White River Substations (see Figure 1).

At this time there are two alternative sites for the proposed Gingles Substation. To accommodate this substation, a number of power lines would need to be rebuilt, relocated, or removed. Figure 2 shows three options for substation and power line construction in this area.

Project Cost and Schedule

The total estimated cost of transmission line, substation, and associated facilities as proposed in NSPW's application is approximately \$37,000,000. NSPW proposes to finance the project from funds generated internally or from the issuance and sale of securities, or both. NSPW proposes to begin construction in 1999 and place the facilities in service by 2001.

Environmental Review

This is a Type II action under s. PSC 4.10 (3), Wis. Adm. Code. It consequently requires the preparation of an environmental assessment to determine whether an environmental impact statement is necessary under s. 1.11, Wis. Stats. Persons wishing to comment on the environmental aspects of this case should send comments to William Fannucchi, Public Service Commission of Wisconsin, P.O. Box 7854, Madison, Wisconsin 53707-7854, or call (608) 267-3594 (e-mail address: fannuw@psc.state.wi.us). To be considered in this analysis, comments must be received within 15 days of the mailing date of this notice.

NOTICE IS FURTHER GIVEN that this matter is deemed to be a Class 1 proceeding as defined in s. 227.01(3), Wis. Stats. The application was filed pursuant to s. 196.49, 196.491, Wis. Stats., and chs. PSC 111 and 112, Wis. Adm. Code.

NOTICE IS FURTHER GIVEN that the Commission considers it necessary in order to carry out its duties to investigate the books, accounts, practices and activities of the Applicant. The expenses incurred or to be incurred by the Commission which are reasonably attributable to the investigation will be assessed against and collected from the Applicant, in accordance with the provisions of s. 196.85, Stats., and ch. PSC 5, Wis. Adm. Code.

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General questions about this matter can be answered by calling Udaivir S. Sirohi, Electric Division, at (608) 266-2806 (e-mail address: sirohu@psc.state.wi.us). Specific questions about the hearing process can be answered by calling John Crosetto, Hearing Examiner, at (608) 266-7165. If you want NSPW to answer questions about the proposed project, contact Pam Rasmussen at 1-800-238-7968.

Dated at Madison, Wisconsin,
By the Commission:
Lynda L. Dorr
Secretary to the Commission

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